



MINUTES
Economic Development Authority
October 19, 2021

CALL TO ORDER

The Economic Development Authority meeting was called to order at 5:32 pm.

Present: Chair: Jahn Dyvik; Board: Tim Hultmann, Mike Feldmann, Gina Joyce, and Charlie Miner

Staff Present: City Administrator/Executive Director: Scott Weske; City Attorney: John Thames; and Public Works Director: Sean Diercks

Absent: Lori Goodsell and Deirdre Kvale (with prior notice)

PLEDGE OF ALLEGIANCE

APPROVE AGENDA

A motion was made by Feldmann, seconded by Miner, to approve the agenda. Ayes: all.

CONSENT AGENDA

A. Approve Minutes of September 28, 2021 Economic Development Authority Meeting

A motion was made by Miner, seconded by Feldmann, to approve the minutes of the September 28, 2021 EDA meeting. Ayes: all.

OPEN CORRESPONDENCE

No one was present to address the EDA during Open Correspondence.

BUSINESS ITEMS

Public Hearing: Consider Sale of a Portion of the City-Owned Property Located on the South Side of the Property Located at 2145 and 2165 Daniels Street and Immediately North of Highway 12 right-of-way (the "Property") to the Barbara A. Hendrickson Revocable Trust (the "Hendrickson Trust")

City Attorney Thames explained that the EDA had met via closed session on September 28, 2021 to discuss preparation of a purchase agreement for the sale of a portion of the remnant parcel that the City had purchased in 2017 from MnDOT, located behind 2145 and 2165 Daniels Street. The proposed purchase will allow Mr. Hendrickson to expand his existing building at 2165 Daniels Street.

A motion was made by Hultmann, seconded by Miner, to open the public hearing. Ayes: all.

Mr. Hendrickson commented that he feels his proposed purchase will allow for a logical expansion of an existing building. He invited the EDA members to take a drive around and see how well his warehouses have been maintained. He indicated that his intent is to take the southerly building and add 10,000 square feet to the end of it, with the addition to mimic the rest of the building in design. He noted that he is not looking for any City assistance such as TIF and added that he thinks allowing the purchase will result in a win/win situation.

Board member Miner questioned what the space would be used for.

The applicant replied that the addition would offer more warehouse space and more tenant spaces for contractors such as plumbers and electricians.

Thames reviewed the purchase price, earnest money requirements and contingencies outlined in the purchase agreement. He gave an overview of the indemnification element, the acknowledgement of the public purposes function, and noted that there will be a review of the title aspects.

A motion was made by Feldmann, seconded by Miner, to close the public hearing. Ayes: all.

A motion was made by Miner, seconded by Joyce, to adopt Resolution No. 2021-45, a Resolution approving the sale of City-owned property to the Barbara A. Hendrickson Revocable Trust. Ayes: all.

OTHER BUSINESS

1905 W Wayzata Boulevard Property – Board member Hultmann asked if there was any sort of update on the former BP station property. Executive Director Weske recalled that the last update staff had received was that an interested party was trying to get through their franchise requirements. He observed that they have not necessarily stated that they were not interested, but the timeline is not in their favor right now. Chair Dyvik inquired whether there had been any other interest in that site. Weske indicated that the question had come up about the possibility of the dental office again and he had responded that there was still somebody interested. He noted that as of right now, dentists would still not be allowed on that site per the deed restrictions. Board member Joyce recalled that there had been past discussions about other options such as maintaining the property and renting it out to a vendor or something such as a trolley or food trucks. Chair Dyvik noted that if nothing happens over the winter, perhaps the EDA could consider such an option next spring for the summer months. Weske confirmed he felt it would be worth reviewing the idea as a winter exercise for the EDA. Board member Feldmann asked how much value the parcel had for snow storage. Public Works Director Diercks stated that staff has not been using the parcel for that purpose. The EDA discussed some work that would need to be done to the site in order to allow for use by food trucks. Chair Dyvik suggested the option of a small farmers market that would operate periodically. The EDA discussed the potential parking difficulties that would be associated with use of the site.

The Borough Project Update - Weske reported that contractors are about a week behind on anything related to The Burrough due to hold-ups with locating utilities, though he expects something to begin happening within the next few days. He stated that had been unable to begin demolishing the houses yet because they ended up having to contract for abatement of asbestos and hazardous materials. The developer is working towards getting two building pads down before winter so they can get two buildings done over the winter months.

Zvago Project - Board member Feldmann asked about the status of the Zvago development. Weske had not heard about Zvago lately, but noted that he had not asked them for an update. Board member Hultmann reported that Zvago had held an open house about three weeks ago at the Red Rooster and at that point, they said they only needed four more signatures in order to begin construction.

ADJOURN

Hearing no objection, Chair Dyvik adjourned the meeting by general consent at 5:52 pm.

Respectfully submitted,
Scott Weske, Executive Director